

Business Leaders Meeting

Wichita International Trade Processing Center
Feasibility Study

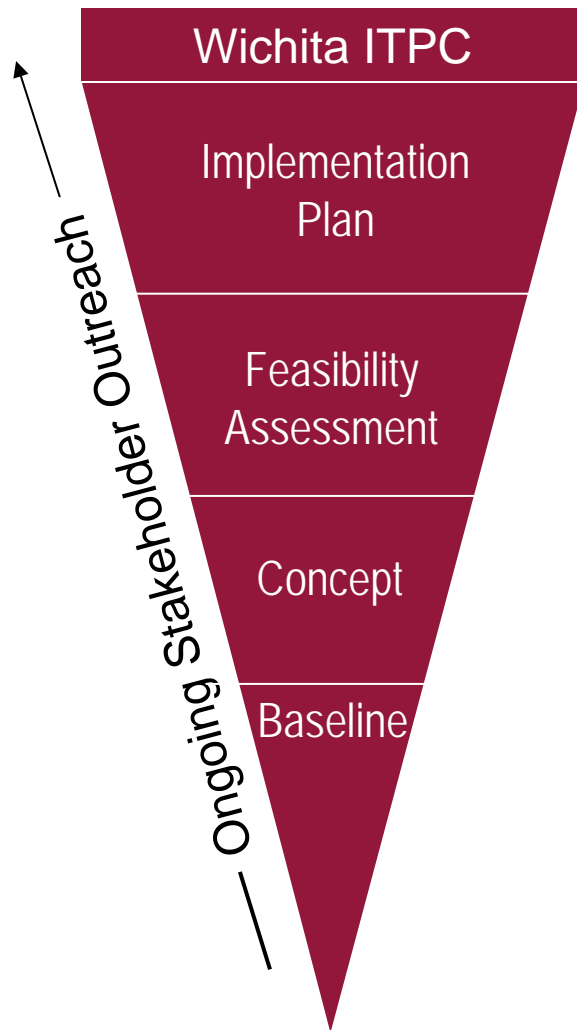
September 12, 2006



Agenda

- Welcome and Introductions
- State of International Trade in Wichita
- The Business Perspective
- Closing and Next Steps

State of International Trade in Wichita



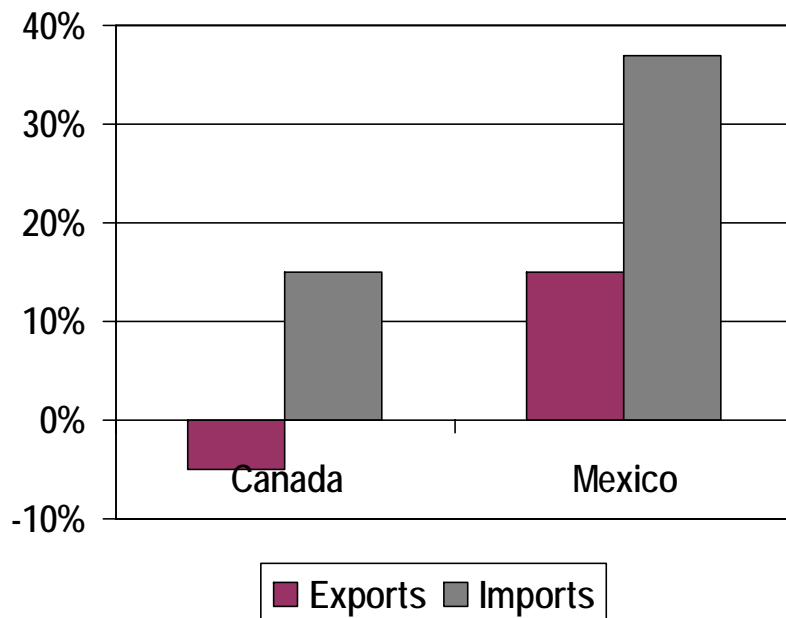
To better position Wichita, and regional business interests, in the global marketplace.

- Create an environment which supports companies involved in the global economy
 - Press for changes in trade processing technology and systems
 - Advance investment in road, rail and intermodal infrastructure

State of International Trade in Wichita

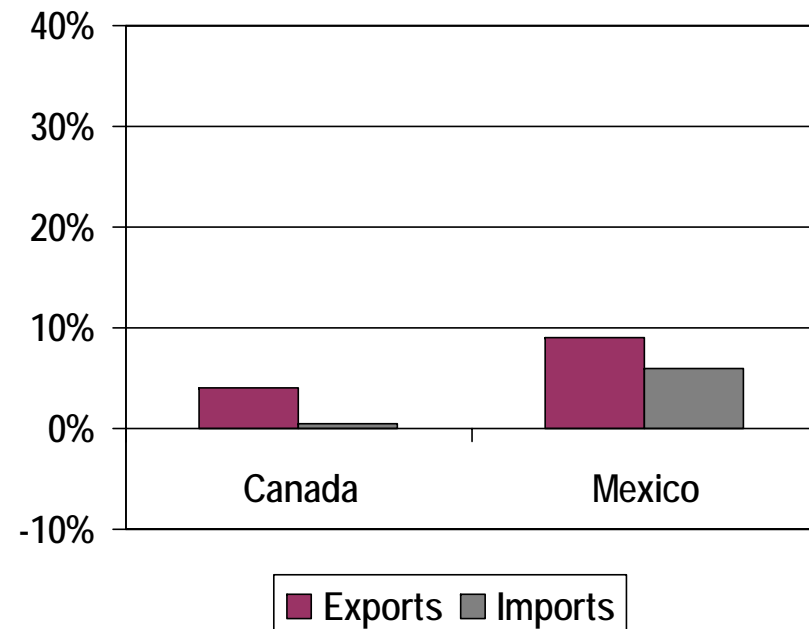
Historic Growth

Compound Annual Growth Rate from 2000 to 2004



Forecasted Growth

Compound Annual Growth Rate from 2004 to 2010



State of International Trade in Wichita

Canadian Exports

- Dominant mode is by Truck
- Mostly Manufactured Goods and Components like industrial chemicals and equipment

Canadian Imports

- Dominant mode is by Rail
- Mostly Commodities like forest products and products of petroleum refining

Mexican Exports

- Dominant Mode is by Rail
- Mostly Commodities like field crops

Mexican Imports

- Dominant Mode is by Truck
- Mostly Manufactured Goods and Components like engines, construction equipment

State of International Trade in Wichita

Asian Imports

- Historically grew at 10%
- Forecasted to grow at 8%
- Dominant mode is by Intermodal Rail
- Mostly "Consumer Goods" like food, textiles, furniture

Global Trade Exports

- In 2004, 4.6 Million Short Tons of Grain shipped to the coasts
- 85% of the grain is shipped to Houston and New Orleans then on to markets in Asia and Latin America

State of International Trade in Wichita

➤ From Shipper/Business Surveys

- 72 Individual Interviews
- 800 Additional Mail Surveys

➤ Findings

- One-fifth of the businesses indicated they were involved in international trade.
- Respondents were more than twice as likely to be doing trade with Canada, Mexico or China, as they were with other nations.
- Respondents were rated Wichita as a great place to host ITPC capabilities.
- Respondents were concerned about the lack of direct Intermodal rail service and the cost of trucking their products to ramps in KC.

State of International Trade in Wichita

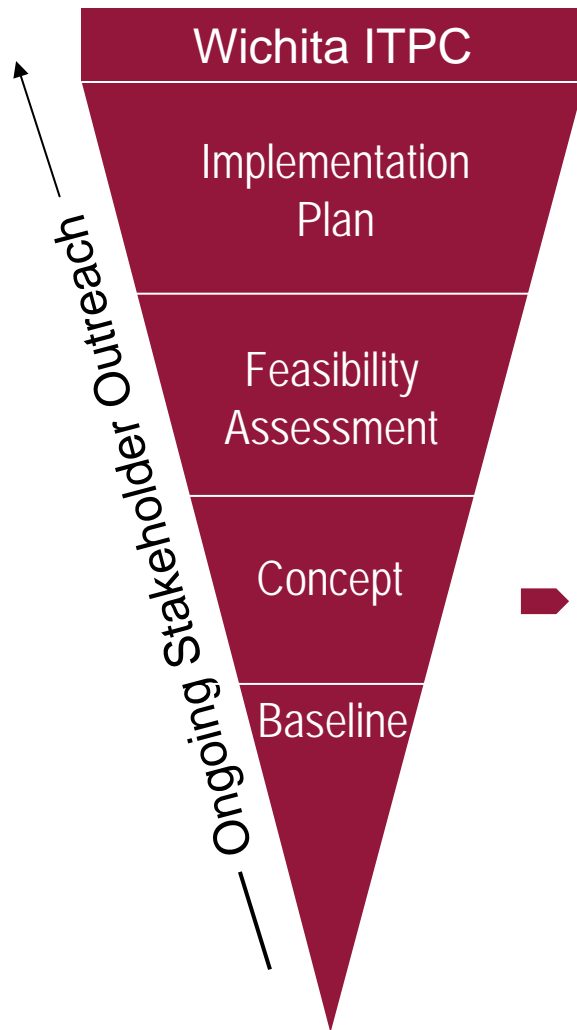
► Intermodal Rail Issues

- Currently, nearly all of the containers, destined for/originated from Wichita arrive at intermodal yards in Kansas City and are drayed (trucked) to Wichita – or vice versa.
- The dray is a disproportionately high percentage of the overall transportation cost.
- Tremendous rail assets in Wichita – both Class I western carriers, and a regional shortline railroad.
- Data is in tons, however conversion to TEU (twenty foot equivalent unit) would yield between 25,000 – 40,000 containers per year in the greater Wichita area.

The Business Perspective

- What are your business' Priority Issues related to International Trade?
- What services do you utilize or want to utilize (freight forwarders, customs brokers, etc.)?
- Is your company using the Automated Commercial Environment (ACE) or CT-PAT certified?
- What facilities does your company lack (warehouse space, FTZ, transportation hubs, etc.)?
- What are your concerns with Equipment Utilization and Availability?

Closing and Next Steps



➡ ➡ Thank You for attending, your feedback will help define the project direction for the next phase of work.